IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

WRIT PETITION NO.3051 of 1992

1. Industrial Tubes Manufacturers Pvt Ltd, a Company ... and anr. .. Petitioners

Vs

1. Maharashtra State Electricity Distribution Co.Ltd and anr. .. Respondents

Mr V.V.Jogalekar with Ms Sushma Joshi i/b M/s Haresh Mehta & Co., for the petitioners.

Mr P.P.Chavan, i/b M/s Little & Co for respondent no.1.

Ms. P.S.Cardozo,AGP for respondent no.2.

CORAM : B.H.MARLAPALLE & D.B.BHOSALE,JJ.
DATE : March 09, 2006.

PC:

1. Petitioner no.1 is a company duly incorporated under the provisions of the Companies Act,1956 and is a consumer of respondent no.1 of electric energy. It is engaged in the manufacturing of copper and copper alloy tubes. Respondent no.1-board issued a bill dated 5.2.1992 for an amount of Rs.5,41,600.00 and the petitioners noticed that an amount of Rs.3,05,520.00 was charged in excess and without any justification. This petition has been filed under Article 226 of the Constitution taking exception to the additional charges of Rs.3,05,520.00.

2. It is not disputed that initially petitioner no.1-company was sanctioned a connected load of 300 KW

with a maximum demand of 150 KVA notwithstanding its application dated 5.11.1982 for increasing its connected load to 795 KW and 929 KVA. On an application submitted by petitioner no.1 on 7.2.1983 respondent no.1-board, by its letter dated 13.9.1983,granted additional load of 378 KW and 304 KVA to petitioner no.1 and this was released only from 6.2.1985 and an undated application was submitted by petitioner no.1 and the demand made was for 585 KW and 619 KVA. By an order dated 21.4.1988 the respondent-board sanctioned an additional load of 750 KVA and 958 KW.

3. The tariff for a High Tension consumer is in two parts, viz. one part is the rate fixed per month per KVA which is called as demand charge and the second part is the rate per unit for consumption which is called as energy charge. For the period November, 1985 to February 1987, the demand charge was Rs.40/- per KVA whereas the energy charge was 85 paise per unit. From March 1987 the energy charge was revised to 90 paise per unit and for the period February 1989 to April 1990 it was at the rate of Rs.1.10 paise per unit. When the impugned bill was issued, the demand charge was increased to Rs.60/- per KVA from May 1990 and the energy charge was enhanced to Rs. 1.25 per unit.

4. Respondent no.1-board has filed an affidavit in reply and it has clarified that so far as energy charges bills

are concerned, there is no dispute between the parties. As per the board as against the sanctioned maximum load of 304 KVA, petitioner no.1 went on drawing more load and in October, 1985 the maximum demand recorded was 325 KVA. In August, 1986 it was 320 KVA. In December 1986 it was 310 KVA and in April 1988 it was 305 KVA. This statement annexed to the rejoinder of petitioner no.1 at Exhibit-B has been disputed by the petitioner-company. On the other hand, the respondent-board claims that its letter dated 29.6.1990 was a clear explanation informing petitioner no.1 that the said letter forms a part of the agreement so as to treat the petitioners' demand at 750 KVA and the connected load at 958 KW from the next billing month. Both the parties are at loggerheads on the correctness of the difference charged in Exhiit-B to the affidavit in rejoinder.

5. At this stage, we persuaded both the parties to settle the dispute rather than leaving the same to be decided by any other forum under the general law by leading evidence or before an appellate authority of the respondent-board, if any. We thought it appropriate that the parties settle at an amount of Rs.Three Lacs and respondent no.1-board will not insist on charging interest and petitioner no.1 would not continue with its challenge to the validity of the impugned bill.

6. We, therefore, direct the petitioners to remit an

amount of Rs.3,00,000/- to the respondent-board within a period of four weeks and the respondent-board is directed to accept the same as a full and final settlement against the impugned bills without claiming any interest and/or penal charges.

7. The writ petition is disposed of in the above terms. Rule discharged. No costs.

(D.B.BHOSALE, J.) **(B.H.MARLAPALLE,J.)**